

To: Joyce Olin/DC/USEPA/US@EPA, "Carter, Michael" <Michael.Carter@marad.dot.gov>, "Michanczyk, Curt" <Curt.Michanczyk@marad.dot.gov>, Elliott Gilberg/DC/USEPA/US@EPA, GourleyJL@state.gov

CC

Subject: Letter of enforcement discretion

A little update on events.

As most of you may already know, EPA has provided MARAD with enforcement discretion for the ships going to AbleUK. Unfortunately, the press (Washington Times) got a hold of the story from Warner's office and has let the cat out of the bag. Why unfortunately, several reasons (1) no contract has yet been signed with Able; (2) MARAD and EPA had been discussing how best to handle any PR and this was not the way we had envisioned it; (3) we had just finished a discussion with Joan Davis and told her it was premature to do a press release; and (4) there are people in the wings that have threatened to file a law suit.

Exemption 5 - Deliberative Process Privilege

MCC

PS. Julie -- thanks for the note about the conference call. We will be there. One question, Exemption 5 - Deliberative Process Privilege

----Original Message----

From: Olin.Joyce@epamail.epa.gov [mailto:Olin.Joyce@epamail.epa.gov]

Sent: Friday, May 23, 2003 11:34 AM

To: Carter, Michael <MARAD>; Michanczyk, Curt <MARAD>; Gilberg.Elliott@epamail.epa.gov; GourleyJL@state.gov

Subject: OECD notice

I spoke with Mary Goslee in our Import-Export Program and she told me that we do not use the OECD notice forms and don't actually have any. She said that the way it works is that AbleUK should be able to get the form from Environment UK (it will have the UK tracking number on it). They would send the form to the exporter, who would fill in the form and send it back to the government office that tracks the materials there.

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Statement on Export of MARAD Vessels to AbleUK for Dismantling and Recycling May 21, 2003

The Environmental Protection Agency (EPA) has approved the export of thirteen vessels owned by the Maritime Administration (MARAD) for dismantling and recycling at the AbleUK facility in Teesside, England. EPA and MARAD have visited and evaluated the AbleUK facility, and have also consulted with British government officials. We have determined that the work necessary to dismantle these vessels can be done in a manner that is protective of worker safety and health and the environment at this facility.

The AbleUK facility has substantial experience in deconstruction and demolition of large off-shore structures and has a strong history of environmental compliance based on regular inspections over the past seven years. Provisions have been put in place to assure that AbleUk will manage all hazardous materials in an environmentally sound manner.

There are currently approximately 130 vessels in MARAD's National Defense Reserve Fleet (NDRF) that are designated for disposal. MARAD has been evaluating several options for disposal, including domestic dismantling, foreign dismantling, and preparation of ships to be sunk as artificial reefs.

The National Defense Authorization Act for Fiscal Year 2003 directs the Secretary of Transportation, Secretary of State, and Administrator of the Environmental Protection Agency to jointly carry out one or more pilot programs to explore the feasibility and advisability of alternatives for exporting these obsolete U.S. government vessels for scrapping. An important element of the legislation is that any pilot project involving export must be able to demonstrate that the work can be accomplished abroad in a manner that appropriately addresses concerns regarding worker health and safety and the environment.